



319 CYE 15 – CHILDREN’S REHABILITATIVE SERVICES PROGRAM PAYMENT REFORM INITIATIVE

EFFECTIVE DATE: 10/01/14

STAFF RESPONSIBLE FOR POLICY: DHCM FINANCE AND DHCM CLINICAL QUALITY MANAGEMENT (CQM)

I. PURPOSE

This Policy applies to the Children’s Rehabilitative Services (CRS) Contractor. The AHCCCS Payment Reform Initiative (PRI) applies to all dates of service effective on and after October 1, 2014. The purpose of this initiative is to encourage Contractor activity in the area of quality improvement, particularly those initiatives that are conducive to improved health outcomes and cost savings, by aligning the incentives of the Contractor and provider through shared savings payment arrangements.

II. DEFINITIONS

MEASUREMENT YEAR	The period for which the PRI Policy applies. The first measurement year will be Contract Year Ending (CYE) 2015 (October 1, 2014 - September 30, 2015).
SHARED-SAVINGS ARRANGEMENT	An arrangement between the Contractor and provider designed to achieve cost savings which may include improved outcome requirements, in defined areas, the savings from which are shared between the Contractor and the provider. Sub-capitated or block purchase agreements without a shared-savings component shall not qualify as shared-savings arrangements.

III. POLICY

A. GENERAL

The Contractor must meet the minimum shared savings qualifying criteria in B.2. and certify as described in B.3. Failure to meet the minimum in a particular measurement year will result in sanctions up to a maximum of \$250,000.

B. CONTRACTOR RESPONSIBILITIES

1. A minimum of five percent of the value of total payments under all contracts executed with health care providers must be governed by shared-savings arrangements for the measurement year. Sub-capitated or block purchase agreements without a shared-savings component shall not account for any part of this total value. AHCCCS expects the minimum value threshold to grow each year.



2. The Contractor will certify to AHCCCS that this minimum will be met by submitting both an executed copy and an electronic copy in an Excel format:
 - a. An initial Payment Reform Initiative Shared Savings Arrangement Certification as provided in Attachment A to the DHCM Finance Manager within 60 days of the start of the measurement year.
 - b. A final Payment Reform Initiative Shared Savings Arrangement Certification as provided in Attachment A to the DHCM Finance Manager due 120 days after the end of the measurement year.

In the case of differences between the executed copy and electronic template submissions, the executed copies will prevail.

Failure to attest to the minimum in a particular measurement year will result in sanctions up to a maximum of \$250,000.

AHCCCS reserves the right to request an audit of the Certifications included in Attachment A.

IV. REFERENCES

- CRS Contract, Section D
- Attachment A, Payment Reform Initiative (PRI) Shared Savings Arrangement Certification



**ATTACHMENT A, PAYMENT REFORM INITIATIVE (PRI) SHARED SAVINGS ARRANGEMENT
CERTIFICATION**

SEE THE ACOM WEBPAGE FOR ATTACHMENT A OF THIS POLICY

IMPLEMENTATION 10/01/2014